MEMORANDUM

TO: Governing Board Members

FROM: Tommy B. Strowd P.E., Division Director, Operations Maintenance & Construction

DATE: May 31, 2012

SUBJECT: Approval of the Agreement between the District, Real Estate Investment Group L.L.C.,

and Terranova Investments of Miami, Inc.

Background: The District holds a canal right of way easement along the C-4 Canal within the Cormen Subdivision in Miami-Dade County. REIG and Terranova Investments of Miami, Inc. (collectively, "Owner") owns property adjacent to the District's right of way easement. Owner constructed a house that encroaches on the District's easement which interferes with the District's operation and maintenance of its flood control system. The District and Owner litigated this matter in South Florida Water Management District v. Real Estate Investment Group, LLC, Terranova Investments of Miami, Inc., Case No. 09-00549-CA-23 in the Circuit Court in and for Miami-Dade County, Florida, (the "Lawsuit"). On April 6, 2011, the court ordered Owner to remove any portion of the house that lies within the District's easement and enjoined and barred Owner from constructing or placing anything within the District's easement, (the "Court Order"). District staff and Owner have reached an agreement as an alternative to Owner's strict compliance with the Court Order that requires Owner to construct a floodwall and re-designed drainage system and provides that the parties will modify their current real estate interests.

This Board item impacts what areas of the District, both resource areas and geography:

The C-4 Canal right of way within the Cormen Subdivision in Miami-Dade County.

Fiscal Impact: There is no fiscal impact to the District.

What concerns could this Board item raise: If this Agreement is not approved, Owner must remove its house from the District's easement as required by the Court Order.

Why should the Governing Board approve this item?

This Agreement will resolve outstanding issues between the parties.

If you have any questions or concerns please contact me at extension 6998.

TS/caf